

AIRSPACE ADVISORY COMMITTEE

Current Committee

The Airspace Advisory Committee is a committee of eight to nine members appointed by the Chairman of the California Transportation Commission to advise and assist both the Commission and the California Department of Transportation toward the objective of maximizing State income from leasing and managing properties owned by the State of California. Committee members are volunteers from the private sector without compensation for their efforts other than allowable reimbursement for travel expenses. Appointees are to offer expertise from a wide range of disciplines and experience including finance, economics, real estate, property development and management. The Committee meets quarterly as needed. Meetings are tentatively scheduled in advance and may be cancelled for lack of current issues for consideration.

Background

In the early and mid 1980's, the real estate development issues requiring oversight by the commission were becoming increasingly more sophisticated. As a result, in 1986, the Commission created the Airspace Advisory Committee to serve in an advisory role to both the Commission and Caltrans in the review of proposed airspace (real estate) development leases and joint development. In October 1994, the Commission directed the Airspace Committee to also review and comment on the Department's asset management and excess land activities.

Examples of Recent Committee Accomplishments

Not long ago, the Committee played a major role in assisting Caltrans and the Commission with a large excess land sale in San Francisco. The property was originally appraised at a value that would have netted the State approximately \$17 million. Upon the insistence of the Committee, Caltrans put the property out to bid. At its August 1999 meeting, the Commission approved the sale of that property for \$49 million. The Airspace Committee also works with the Department on its asset management program, its annual business plan, joint development and its wireless telecommunications program. The telecommunications program involves the leasing of airspace rights for the placement of telecommunications equipment, such as cellular phone towers, on or over Caltrans owned right-of-way and other Caltrans properties. The potential for the program is substantial. Total revenues, for the first 25 months the program was in existence, were \$1,417,000, with \$956,000 of that revenue occurring during Fiscal Year 1998/99.

The Committee, with the help of Caltrans, also recommended and the Commission approved procedures to streamline interaction between the Committee and the Department. The intent of this streamlining was to focus the Committee's efforts on Commission policy issues and larger transactions and thereby make the process more efficient and productive. The new procedures allow certain more routine leases to be brought directly to the Commission for approval without prior review by the Committee. The Department's reporting requirements to the Committee were also revised to provide a more integrated report package that will be less burdensome for the Department while still providing the Committee with the information it needs to continue to offer the Commission and the Department the prudent advice for which the Committee is known.